

FEDERAL BUREAU OF INVESTIGATION  
FOI/PA  
DELETED PAGE INFORMATION SHEET  
FOI/PA# 1158730-2

Total Deleted Page(s) = 30

Page 29 ~ b6; b7C;  
Page 30 ~ Duplicate;  
Page 31 ~ Duplicate;  
Page 32 ~ Duplicate;  
Page 33 ~ Duplicate;  
Page 34 ~ Duplicate;  
Page 52 ~ Duplicate;  
Page 53 ~ Duplicate;  
Page 54 ~ Duplicate;  
Page 55 ~ Duplicate;  
Page 56 ~ Duplicate;  
Page 61 ~ Duplicate - Section 1;  
Page 62 ~ Duplicate - Section 1;  
Page 63 ~ Duplicate - Section 1, Serial 10 of 58-1354;  
Page 64 ~ Duplicate - Section 1 - 1A3 of 58-1354;  
Page 65 ~ Duplicate - Section 1 - 1A3 of 58-1354;  
Page 66 ~ Duplicate - Section 1 - 1A3 of 58-1354;  
Page 67 ~ Duplicate - Section 1 - 1A3 of 58-1354;  
Page 68 ~ Duplicate - Section 1-10 of 58-1354;  
Page 69 ~ Duplicate - Section 1-10 of 58-1354;  
Page 70 ~ Duplicate - Section 1-10 of 58-1354;  
Page 71 ~ Duplicate - Section 1-10 of 58-1354;  
Page 72 ~ Duplicate - Section 1-10 of 58-1354;  
Page 73 ~ Duplicate - Section 1-10 of 58-1354;  
Page 74 ~ Duplicate - Section 2-17 of 58-1354;  
Page 75 ~ Duplicate - Section 2-17 of 58-1354;  
Page 76 ~ Duplicate - Section 2-17 of 58-1354;  
Page 77 ~ Duplicate - Section 2-26;  
Page 78 ~ Duplicate - Section 2-22;  
Page 79 ~ Duplicate - Section 2-22;

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X Deleted Page(s) X  
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## FEDERAL BUREAU OF INVESTIGATION

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8/7/73

Date of transcription

[redacted], Attorney, 16 East Broad Street, Columbus, Ohio, and attorney for United States Senator WILLIAM B. SAXBE, voluntarily furnished the following statement.

[redacted] stated that when he met with Justice Department Attorney [redacted] and others earlier in the Summer of 1973, he did not state to them that Senator SAXBE had had telephone conversations with the Internal Revenue Service officials. [redacted] advised that there was some misunderstanding if anyone had gotten this interpretation.

Interviewed on 8/2/73

Washington, D.C.

File # WFO 58-1354-14

by JHW SAs

JTB

JHW:mm1

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8/7/73

Date dictated

## FEDERAL BUREAU OF INVESTIGATION

8/7/73

Date of transcription

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United States Senator WILLIAM B. SAXBE was advised of the identities of the interviewing Agents as well as the nature of the requested interview. Senator SAXBE was advised of his pertinent constitutional rights by Special Agent (SA) [redacted] and waived these rights as shown on an executed warning and waiver form. Senator SAXBE was placed under oath by SA [redacted]. In attendance was [redacted], Attorney of Senator SAXBE. Senator SAXBE furnished the following information.

Senator SAXBE stated that he had been a member of the United States Senate since 1969, representing his State of Ohio. Prior to his becoming a United States Senator, SAXBE had, for many years, practiced law in Champagne County, Ohio. For approximately 20 years SAXBE had represented the family of MARY K. WARDELL.

During the Christmas recess of 1971, while Senator SAXBE was in Ohio, MARY K. WARDELL died. At this time WARDELL's will had made her son DELMAR executor of her estate. Because of Senator SAXBE's close relation to the family, he was asked by DELMAR and DELMAR's brothers and sisters to represent the estate of MARY K. WARDELL.

Senator SAXBE advised that in 1967 he had helped MARY K. WARDELL arrange her affairs so that at her death the management of her estate would be made simple. At the time of her death WARDELL was 93 years old. The pre-planning of her estate included her transferring title to her property in 1967 to her future heirs and them, in return, giving her notes payable. Each year thereafter MARY WARDELL would forgive of her future heirs \$3,000 of their indebtedness to her taking tax advantage of the gift provisions. The essence and

Interviewed on 8/2/73 at Washington, D.C. File # WFO 58-1354 -15  
by SAs [redacted] JHW:mm1 8/7/73  
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significance of this pre-planning was that the handling of the estate, after WARDELL's death, was a very simple matter.

Senator SAXBE filed the necessary probate papers prior to his return to Washington, D.C. Approximately 4 months later he filed the required debt list in Champagne County. Approximately 6 months from that point, Senator SAXBE filed both the Ohio and Federal estate tax returns; the amount of tax due as computed by SAXBE was paid at the time the returns were filed. While awaiting the approval of the State and Federal estate tax returns, the estate was distributed to the heirs, with the exception of an amount held back for any possible additional taxes.

In the meantime, MARY K. WARDELL's daughter, ELOISE WARDELL, died in June, 1972. Since the ELOISE WARDELL estate was to relate directly to the MARY K. WARDELL estate and since SAXBE had formerly also represented ELOISE, he was asked to handle the legal matters of the ELOISE WARDELL estate also. DELMAR WARDELL was named as ELOISE's executor also.

Senator SAXBE received a letter from the Internal Revenue Service (IRS) giving him notification that \$36,000, which had been given by MARY K. WARDELL to her children over the last 3 years of her life, could not be excluded from the estate since it was obviously given in contemplation of death. The letter stated that the IRS would be asking for \$9,054.66 plus interest. Senator SAXBE stated that he agreed with the IRS contentions and that he forwarded them the amount requested immediately. In fact SAXBE stated that he did not wait for the formal assessment from IRS. SAXBE explained that instead of paying on the notification he should have waited for the formal assessment and that his eagerness to settle the tax matters has later caused some accounting problems at IRS.

Senator SAXBE stated that he had no telephone or personal contact with anyone at IRS regarding either the estate

of MARY or ELOISE WARDELL. The only correspondence that Senator SAXBE directed to IRS was when he wrote a letter explaining that the filing of the estate tax returns of ELOISE would be late because of the direct relationship of her estate to that of MARY. At this time Senator SAXBE was waiting for MARY's tax return to be approved so that he would know how large ELOISE's estate would be. Later Senator SAXBE wrote a letter, which DELMAR signed, to the IRS requesting an extension for the filing of ELOISE's estate tax return. There was no IRS reply to the letter signed by SAXBE. DELMAR received a reply indicating that the requested extension had been granted. SAXBE restated that there were absolutely no other IRS contacts by him.

Senator SAXBE pointed out that he had received the notification from IRS disallowing the \$36,000 on MARY's estate returns in April, 1973. SAXBE also advised that the State of Ohio did not question the \$36,000.

Senator SAXBE received as compensation for his work involving MARY K. WARDELL's estate the minimum fee as taken from the fee schedule of Champagne County, Ohio. SAXBE has received to date about \$200 less than \$4,297.33, which was the court approved amount. Senator SAXBE did not receive any compensation for his work in the ELOISE estate. SAXBE advised that no other person in his employ, or no other person affiliated with him had received any other compensation for work done on either of these estates.

A young attorney on Senator SAXBE's staff in the Washington, D.C. office, [REDACTED] did some work on the estates as an educational experience for himself. [REDACTED] had never handled an estate matter before and so he was anxious to gain some knowledge in this area. When he learned that SAXBE was involved with the estate, he did some of the work much of which SAXBE had to redo because it was done improperly. Also [REDACTED], who made several trips to Ohio, for personal reasons, transported some of the paper work back

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and forth between Washington and Ohio. SAXBE maintained that no other staff member had done any work pertaining to the estate. [redacted] is classified as a Legislative Assistant.

In July, 1973, SAXBE received a telephone call from Mr. LESLIE S. SHAPIRO, Director of Practice, Treasury Department, indicating that there had been questions raised as to SAXBE's handling of a tax matter. At that time SAXBE turned the remaining matters of the estate over to his attorney, [redacted].

SAXBE advised that he did not know the provisions of Title 18, United States Code, Section 203, until SHAPIRO brought the subject up during the telephone call. SAXBE stated that at no time did he represent either of the WARDELLS in a conflict between them and the Government of the United States. SAXBE also advised that he does not believe that the simple filing of the estate tax return is considered by the IRS to be practice before itself.

SAXBE explained that the reason that the amount of compensation approved for him or the \$4,297.33 differs from the figure \$4,452.36, as shown on an affidavit in a schedule of commissions and fees paid, it is because there was a \$2,250 amount incorrectly excluded in the estate originally, and a \$10,000 life insurance policy incorrectly included.

8/10/73

AIRTEL

TO: SAC, CINCINNATI  
FROM: SAC, WFO (58-1354) (P)

SENATOR WILLIAM B. SAXBE

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COI  
(OO:WFO)

Re WFO nitel to Bureau and Cincinnati dated 8/7/73.

Enclosed for Cincinnati are two copies of an FD 302 reflecting interview with Senator WILLIAM B. SAXBE.

2-Cincinnati (Enc. 2)  
1-WFO

JHW:das *das*  
(3)

58-1354-16  
S. ner  
S. ner  
R. ner  
Filed ner

## FEDERAL BUREAU OF INVESTIGATION

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REPORTING OFFICE <b>WASHINGTON FIELD</b>	OFFICE OF ORIGIN <b>WASHINGTON FIELD</b>	DATE <b>8/28/73</b>	INVESTIGATIVE PERIOD <b>8/2 - 6/73</b>
TITLE OF CASE  <b>Senator WILLIAM B. SAXBE;</b> <div style="border: 1px solid black; height: 30px; width: 350px;"></div>		REPORT MADE BY <b>CHA</b> <div style="border: 1px solid black; display: inline-block; width: 200px; height: 25px;"></div>	TYPED BY <b>mm1</b>
		COI	

REFERENCE: Cleveland report of SA JOHN F. LOOME, JR., dated 8/2/73.

- P. *[Signature]*ADMINISTRATIVE

Work at WFO is essentially completed in that Congress is now in recess.

It should be noted that , Attorney for Senator SAXBE, advised during a Bureau interview of SAXBE, on 8/2/73, that when he met with Justice Department Attorney  and other attorneys, in the Summer of 1973, he did not state to him that Senator SAXBE had

ACCOMPLISHMENTS CLAIMED					<input type="checkbox"/> NONE	ACQUIT- TALS	CASE HAS BEEN:
CONVIC.	FUG.	FINES	SAVINGS	RECOVERIES			
							PENDING OVER ONE YEAR <input type="checkbox"/> YES <input type="checkbox"/> NO PENDING PROSECUTION OVER SIX MONTHS <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

APPROVED

SPECIAL AGENT  
IN CHARGE

DO NOT WRITE IN SPACES BELOW

COPIES MADE:

- 3 - Bureau  
 2 - Cincinnati  
 2 - Cleveland (58-227)  
 ② - WFO (58-1354) *mm1*

Searched

Serialized

Indexed

Filed

## Dissemination Record of Attached Report

Agency				
Request Recd.				
Date Fwd.				
How Fwd.				
By				

Notations

COVER PAGE



WFO 58-1354

telephone conversations with Internal Revenue Service (IRS) officials regarding the WARDELL estates. This statement is in conflict with statements reported by [ ] and a statement made by [ ] to Bureau Agents [ ] and [ ] in Columbus, Ohio, when interviewed on 7/27/73.

It should also be noted that, when interviewed Senator SAXBE denied any conversation with any IRS official regarding the WARDELL estates; however, a copy of SAXBE's letter to IRS, dated May 10, 1973, indicates that SAXBE and a Mr. [ ] of the Cleveland Office of IRS had reached an agreement relating to a portion of the WARDELL estate tax returns. This would appear to be a conflict. In this regard the Bureau may wish to have SAXBE reinterviewed.

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

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Copy to:

Report of:

Date:

Field Office File #:

Title:

8/28/73

58-1354

SENATOR WILLIAM B. SAXBE;

Office: Washington, D.C.

Bureau File #:

Character:

## CONFLICT OF INTEREST

Synopsis: U.S. Senator WILLIAM B. SAXBE interviewed by Bureau Agents. SAXBE stated that prior to his being elected a U.S. Senator, he had handled the legal affairs for the family of MARY K. WARDELL. While SAXBE was home for the 1971 Christmas recess, WARDELL died. Several years prior SAXBE had helped WARDELL plan her affairs so that post-death handling of her estate would be a very simple matter. Because of this and because SAXBE was the only attorney the WARDELL family could agree on, he agreed to handle WARDELL's estate. As a part of this work SAXBE filed local and Federal estate tax returns. During this time, WARDELL's daughter, ELOISE WARDELL, died and SAXBE picked up this matter because it was related to the MARY WARDELL estate. SAXBE stated that at no time did he represent the WARDELL estates in any matter against the U.S. Government. SAXBE stated that at no time did he have correspondence with IRS officials except the actual filing of the returns and 2 letters, one signed by him and the other by DELMAR WARDELL, executor for both estates. SAXBE stated that Legislative Assistant [redacted] had helped with the estate work for educational experience but that he nor any other staff member received any reimbursement for such work. SAXBE believes that he has not violated the provisions of Title 18, U.S. Code, Section 203, in that the filing of the estate tax returns is not considered by the IRS as practice before itself.

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Airtel

9-5-73

TO: SACs, Cincinnati (58-237)  
Cleveland (58-227)  
WFO (58-1354)

FROM: Director, FBI (58-8174)

SENATOR WILLIAM B. SAXBE

CONFLICT OF INTEREST

OO: WFO

Rerep of SA [redacted] dated 8-23-73, at WFO.

A review of rerep reveals that on the administrative pages, WFO has set forth information that during the interview of attorney [redacted], Columbus, Ohio, he furnished information regarding Senator Saxbe having a conversation with an IRS agent from Cleveland, Ohio, regarding the estate of Eloise Wardell. He also allegedly furnished this same type information during an interview with Departmental Attorney [redacted] in the summer of 1973. On 8-2-73, at the time Senator Saxbe was interviewed, [redacted] advised that he did not make any statement to Departmental Attorney [redacted] that Saxbe had made telephone conversations to IRS officials.

During the interview of Saxbe on 8-2-73, Senator Saxbe also made the statement that the only correspondence he had with IRS was to direct a letter to them; however, a review of a copy of Saxbe's letter to IRS dated 5-10-73, indicates that Saxbe and a Mr. [redacted], Cleveland office of IRS, had reached an agreement regarding the Wardell estate tax returns.

It appears from information available to Bureau that [redacted] and Saxbe have both made conflicting statements regarding Saxbe's contact with IRS.

Cincinnati, immediately contact attorney [redacted] and clarify the statements made by him which appear on page 13 of CIREP dated 7-30-73. Cleveland, immediately contact Mr. [redacted]

58-1354-21

*[Handwritten signature]*

*[Handwritten initials]*

Airtel to SAC, Cincinnati  
Re: SENATOR WILLIAM B. SAXBE

of the Cleveland office of IRS (if not already done) and determine what contacts he has had with Senator Saxbe, especially any personal contacts or telephonic contacts. WFO, immediately arrange an interview with Senator Saxbe to clarify the statements made by him in which he denied any conversations with IRS officials and determine how he dealt with [REDACTED].

All offices insure that this investigation is handled immediately and reports reflecting the completed investigation are received by the Bureau no later than 9-18-73.

## FEDERAL BUREAU OF INVESTIGATION

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b7CDate of transcription 8/15/73

[redacted], Legislative Aide to U. S. Senator WILLIAM D. SAXNE, was interviewed at the office of Attorney [redacted], 88 East Broad Street.

Mr. [redacted] related that he is a 1966 law graduate from Ohio State University, Columbus, and has been an aide to Senator SAXNE since January, 1969. He provided a home address of [redacted], telephone [redacted].

He explained that in approximately May, 1972, Senator SAXNE had asked him if he wished to assist him in preparing various papers relating to the estate of MARY K. WARDELL who died in December, 1971. [redacted] recalled that Senator SAXNE had previously practiced law in Champaign County, Ohio, prior to becoming a U. S. Senator and had represented the family of MARY K. WARDELL. [redacted] stated that because of his own desire to gain experience in the handling of estate matters, he did assist in the preparation of both the Federal and State tax returns of MARY K. WARDELL under the guidance of Senator SAXNE. He also assisted in determining and preparing the attorneys' fees for Senator SAXNE according to the Minimum Fee Schedule of Champaign County, Ohio.

[redacted] recalled that he also reviewed the living trust and assisted in the preparation of the will for ELOISE WARDELL, the daughter of MARY K. WARDELL.

He went on to explain that in assisting the Senator he visited the Champaign County Court House Probate Court with Senator SAXNE and he, himself, spent considerable time and effort in preparing the appropriate documents.

[redacted] further recalled that in January, 1973, the Cleveland, Ohio Office of the Internal Revenue Service contacted him and he talked with an auditor by the name of [redacted] (Phonetic) and [redacted] asked if he, [redacted], could contact the executor of the estate of MARY K. WARDELL, DELMAR WARDELL, MARY K. WARDELL's son, regarding an [redacted] and [redacted] informed [redacted] he lacked authority and would inquire of Senator SAXNE. [redacted] stated that he asked the Senator if he wished to be present when the

Interviewed on 8/9/73 at Columbus, Ohio File # CI 58-237  
WFO 58-1354

by SAS  
[redacted]

and  
[redacted]

58-1354-22  
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Date dictated 8/13/73  
SEP 17 1973

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CI 58-237

1

auditor from Internal Revenue Service contacted the executor and the Senator replied that he did not wish to be present and that he would agree with the ruling of the auditor regarding the property transfer.

[ ] explained that the issue regarding the [ ] dated back to about 1967 when MARY K. WARDELL transferred [ ] to [ ] and [ ]

[ ] added that the Senator informed him that it was apparent that this transfer could not be excluded from the estate since it was given in contemplation of death.

[ ] stated that [ ] then forwarded to him a recapitulation of the gross estate of MARY K. WARDELL which included the [ ]

[ ] then recomputed the tax due which Senator SAXBE agreed. A check was thereafter forwarded to Internal Revenue Service, including interest for the amount ruled by Internal Revenue Service.

[ ] recalled that [ ] later contacted him in February or March, 1973, and advised him that the previously identified [ ] to [ ] was to be included in the gross estate and this ruling was accepted by Senator SAXBE without being contested.

In June, 1972, ELOISE WARDELL died and [ ] also assisted Senator SAXBE in the preparation and filing of the Federal and State tax return. He recalled that a request for extension of time was sent to Internal Revenue Service signed by Senator SAXBE at the suggestion of [ ] due to the necessity of completing the estate of MARY K. WARDELL. [ ]

[ ] stated that he never met [ ] personally and dealt with him solely by telephone. He explained that [ ] was most helpful to him in making helpful suggestions inasmuch as [ ] was not experienced in estate matters. He stated that there was never any issue with which he or Senator SAXBE disagreed regarding the aforementioned estates and he does not know of any contact Senator SAXBE had with anyone from Internal Revenue Service either personally or telephonically.

F B I

Date: 9/7/73

Transmit the following in \_\_\_\_\_  
(Type in plaintext or code)Via AIRTEL \_\_\_\_\_  
(Priority)b6  
b7c

TO : SAC, WFO (58-1354)  
FROM : SAC, CINCINNATI (58-237) (~~enc~~)  
SUBJECT: SENATOR WILLIAM B. SAXBE:  
[REDACTED]  
COI  
(OO: WFO)

Re WFO airtel to CI 8/10/73.

Enclosed herewith are 9 copies of an FD-302 setting forth interview with [REDACTED].

2-WFO (Enc. 9) *SEM*  
1-Cincinnati

RG:blb  
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58-1354-23

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 10 1973	

[REDACTED]

Approved: \_\_\_\_\_ Sent \_\_\_\_\_ M Per \_\_\_\_\_  
Special Agent in Charge

## FEDERAL BUREAU OF INVESTIGATION

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b7CDate of transcription 9/11/73

United States Senator WILLIAM B. SAXBE, Ohio, was advised of the identifies of the interviewing agents and nature of the requested interview. SAXBE was advised of his pertinent constitutional rights by SA [ ] and waived these rights as shown in an executed Warning and Waiver Form. SAXBE furnished the following information:

SAXBE was advised that there seemed to be a discrepancy among a statement he had furnished to the Federal Bureau of Investigation (FBI) on August 2, 1973, and information contained in a letter addressed to the Internal Revenue Service (IRS), Cincinnati, Ohio, from SAXBE dated May 10, 1973. It was also pointed out to SAXBE that this same discrepancy existed in statements made by his Attorney, [ ] to United States Justice Department Attorney, [ ] on July 5, 1973, and statements made to the FBI on July 27, 1973, and August 2, 1973, respectively. SAXBE was further advised that this discrepancy concerned whether or not he had conversations with a Mr. [ ] of the Cleveland Office of IRS regarding the MARY K. and ELOISE WARDELL estates which he was handling.

After reviewing a copy of the above mentioned letter dated May 10, 1973, SAXBE identified this copy as being that of a letter he had written to the IRS. SAXBE acknowledged that the letter indicated that he had conversations with Mr. [ ] of the Cleveland Office, IRS, relating to gifts in contemplation of death in the estate of MARY K. WARDELL.

SAXBE stated that to his knowledge, he personally did not have any conversation with Mr. [ ] or anyone at IRS regarding the WARDELL estates. SAXBE maintained

Interviewed on 9/7/73 at Washington, D. C. File # WFO 58-1354 24

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b7CDate dictated 9/11/73

by JHW  
RDM SA [ ] and SA [ ]  
JHW:jea



that his only contact with IRS other than filing of the estate tax returns were the two letters previously described to the FBI during the interview on August 2, 1973. SAXBE stated that it was possible that he had telephoned [ ] or some other official to encourage them to speed up their decision on the acceptability of the estate tax returns for MARY K. WARDELL. There was a situation whereby the estate tax return of ELOISE WARDELL could not be filed until IRS had made a decision regarding the MARY K. WARDELL return.

SAXBE further explained that during the spring and summer of 1973, DELMAR WARDELL, the executor of both estates, kept getting notices from the probate court of Champagne County, Ohio, regarding delinquencies involving both estates. SAXBE explained that the delays were due to the fact that IRS would not render a decision on the MARY K. WARDELL estate. Because DELMAR WARDELL kept getting these notices, he kept pressuring SAXBE to try and speed up IRS. SAXBE explained that to a layman such as WARDELL, these notices can sometimes be an awesome thing in that the layman may not fully understand them.

Because of the anxiety on the part of DELMAR WARDELL and because SAXBE wanted to get the estates settled, SAXBE had his Legislative Assistant, [ ], to telephone IRS in Cleveland to try to get them to accelerate a decision on the MARY K. WARDELL estate. SAXBE stated that [ ] talked several times to [ ] or other officials at IRS regarding this matter, but that each time the only subject matter discussed involved trying to speed IRS up in its decision. SAXBE stated that neither he nor [ ] at any time discussed with anybody at IRS substantive matters involved in the estate. SAXBE further stated that each time [ ] talked with the IRS, he checked with SAXBE in advance.

WFO 58-1354

When asked about the agreement described in his letter of May 10, 1973, reportedly reached between him and Mr. [REDACTED], SAXBE stated that the only agreement that he had made with IRS was that [REDACTED] had told either he or [REDACTED] that an additional amount was owed on the estate due to a gift in contemplation of death case and SAXBE agreed to pay it. SAXBE pointed out that the contact with Mr. [REDACTED] mentioned in his letter of May 10, 1973, may have been made by [REDACTED] instead of him and still be described in the letter as it is.

SAXBE stated that he could not account for the discrepant statements made by his Attorney [REDACTED]

9/10/73

AIRTEL

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TO: DIRECTOR, FBI (58-8174)  
FROM: SAC, CLEVELAND (58-227) (RUC)  
RE: SENATOR WILLIAM B. SAXBE  
[REDACTED]  
CONFLICT OF INTEREST  
OO: WFO

Re Bureau airtel to Cincinnati, dated 9/5/73, and  
Cleveland report of SA [REDACTED], dated 8/2/73.

On page 85 of referenced report is FD-302 reflecting  
interview with Attorney [REDACTED] concerning his  
dealings with Attorney [REDACTED], an associate of WILLIAM  
SAXBE regarding the Estate of MARY K. WARDELL. At no time  
during that interview did [REDACTED] state that he had had  
contacts with Senator SAXBE regarding the Estate of MARY K.  
WARDELL.

As to the estate of ELOISE WARDELL, daughter of  
MARY K. WARDELL, [REDACTED] advised, in the same interview, he  
never recalled that that estate had ever come through to  
Internal Revenue Service, Cleveland, Ohio, for processing.  
[REDACTED] definitely recalled, in that interview, that he did  
not talk to [REDACTED] regarding the Estate of ELOISE WARDELL.  
The Estate of ELOISE WARDELL had to wait on the estate of her  
mother, MARY K. WARDELL because ELOISE WARDELL was to take  
under the will of her mother.

2 - Bureau  
2 - Cincinnati (58-237)  
2 - WFO (58-1354)  
1 - Cleveland  
JFL/clo  
(7)

58-1354-25

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 13 1973	
FBI - WASH. F. O.	

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## FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE <b>CINCINNATI</b>	OFFICE OF ORIGIN <b>WFO</b>	DATE <b>9/13/73</b>	INVESTIGATIVE PERIOD <b>9/10/73</b>
TITLE OF CASE <b>SENATOR WILLIAM B. SAXBE;</b> <div style="border: 1px solid black; height: 20px; width: 350px; margin-top: 5px;"></div>		REPORT MADE BY <div style="border: 1px solid black; height: 20px; width: 250px; margin-top: 5px;"></div>	TYPED BY <b>pl</b>
		CHARACTER OF CASE  <b>COI</b>	

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b7CREFERENCE:

Bureau airtel to Cincinnati dated 9/5/73.

- RUC -

ACCOMPLISHMENTS CLAIMED					<input checked="" type="checkbox"/> NONE	ACQUIT- TALS	CASE HAS BEEN:
CONVIC.	FUG.	FINES	SAVINGS	RECOVERIES			
							PENDING OVER ONE YEAR <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO PENDING PROSECUTION OVER SIX MONTHS <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
APPROVED		SPECIAL AGENT IN CHARGE		DO NOT WRITE IN SPACES BELOW			
COPIES MADE:				<div style="border: 1px solid black; padding: 10px; margin-top: 20px;"> <p>3-Bureau (58-8174)</p> <p>②-WFO (58-1354)</p> <p>1-Cincinnati (58-237)</p> </div>			
Dissemination Record of Attached Report							
Agency							
Request Recd.							
Date Fwd.							
How Fwd.							
By							

58-1354-26

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SERIALIZED	FILED
SEP 17 1973	
FBI - WASH. F. O.	

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UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Copy to:

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Report of:

Office: CINCINNATI

Date:

September 13, 1973

Field Office File #: 58-237

Bureau File #: 58-8174

Title:

SENATOR WILLIAM B. SAXBE;  
[REDACTED]

Character:

CONFLICT OF INTEREST

Synopsis:

Recontact with Attorney [REDACTED], Columbus, Ohio, determined that [REDACTED] has no knowledge of any conversation between Senator SAXBE and an IRS Agent. [REDACTED] described his previous statement as a mis-interpretation and suggested that Legal Aide to Senator SAXBE, [REDACTED] probably conversed with an IRS Agent.

- RUC -

DETAILS:

## FEDERAL BUREAU OF INVESTIGATION

b6  
b7CDate of transcription 9/13/73

1  
[redacted], Attorney at Law, [redacted]  
[redacted] was contacted regarding a previous statement made by him relative to the fact that he said Senator WILLIAM D. SAXBE had, during the course of handling the estate of MARY K. WARDELL and her daughter, ELOISE WARDELL, a conversation with an Agent from the Internal Revenue Service (IRS) of Cleveland, Ohio.

Mr. [redacted] explained that he does not have any direct or indirect knowledge that Senator SAXBE had any conversation, at all, with any Agent from the IRS. He stated that he recently conversed with Senator SAXBE regarding this point and Senator SAXBE emphatically informed him that he had not conversed with an IRS Agent during the handling of the previously mentioned estates.

Mr. [redacted] commented that if he had made such a previous statement during the course of his interview on July 27, 1973, and to Departmental Attorney [redacted] in the summer of 1973, it was merely a mis-interpretation. He stated that if anyone had made any conversational contact with an IRS Agent, it was probably Senator SAXBE's aide, [redacted]

Interviewed on 9/10/73 at Columbus, Ohio

WFO 58-1354  
File # CL 58-237

by SA [redacted] b6 b7C Date dictated 9/11/73

## FEDERAL BUREAU OF INVESTIGATION

b6  
b7c

REPORTING OFFICE <b>WASHINGTON FIELD</b>	OFFICE OF ORIGIN <b>WASHINGTON FIELD</b>	DATE <b>9/19/73</b>	INVESTIGATIVE PERIOD <b>9/7/73</b>
TITLE OF CASE  <b>SENATOR WILLIAM B. SAXBE;</b> <div style="border: 1px solid black; height: 20px; width: 100%;"></div>		REPORT MADE BY <b>SA</b> <div style="border: 1px solid black; display: inline-block; width: 150px; height: 1.2em; vertical-align: middle;"></div>	TYPED BY <b>jca</b>
		CHARACTER OF CASE  <b>COI</b>	

REFERENCES: WFO report of SA J. HARPER WILSON dated 8/28/73.  
Bureau airtel to Cincinnati dated 9/5/73.

- P -

ACCOMPLISHMENTS CLAIMED					<input checked="" type="checkbox"/> NONE	ACQUIT- TALS	CASE HAS BEEN:  PENDING OVER ONE YEAR <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO PENDING PROSECUTION OVER SIX MONTHS <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
CONVIC.	FUG.	FINES	SAVINGS	RECOVERIES				
APPROVED  COPIES MADE: 3- Bureau (58-8174) 2- Cincinnati (58-237) 2- Cleveland (58-227) ② WFO (58-1354) jca <i>[Signature]</i>					SPECIAL AGENT IN CHARGE <i>[Signature]</i>			DO NOT WRITE IN SPACES BELOW  <div style="text-align: right; font-size: 1.2em;">58-1354-27</div> Searched <i>[Signature]</i> Serialized <i>[Signature]</i> Indexed <i>[Signature]</i> Filed <i>[Signature]</i>
Dissemination Record of Attached Report						Notations		
Agency								
Request Recd.								
Date Fwd.								
How Fwd.								
By								

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATIONb6  
b7c

## Copy to:

Report of: [REDACTED]

Office: Washington, D. C.

Date: 9/19/73

Field Office File #: 58-1354

Bureau File #: 58-8174

Title:

SENATOR WILLIAM B. SAXBE  
[REDACTED]

Character:

CONFLICT OF INTEREST

Synopsis:

United States Senator WILLIAM B. SAXBE reinterviewed by Bureau Agents. SAXBE stated that he did not recall having any conversations himself with Internal Revenue Service (IRS) officials regarding the estates being handled by him. SAXBE stated that his Legislative Assistant, [REDACTED], did have conversations in order to try to expedite a ruling by IRS on the estate tax return of MARY K. WARDELL. SAXBE maintained that no substantive matters were discussed either by him or by [REDACTED] with the IRS. SAXBE advised there was never a conflict or disagreement between himself and the IRS and that when the IRS charged additional tax due to a gift in contemplation of death clause, SAXBE paid the additional tax immediately. [REDACTED] Legislative Aid to Senator SAXBE, was interviewed by Bureau Agents. [REDACTED] stated that he assisted SAXBE in the preparation of estate tax returns for MARY K. and ELOISE WARDELL. [REDACTED] advised that he had several telephonic contacts with an IRS auditor [REDACTED] (phonetic). [REDACTED] stated that there was no disagreement either by him or by Senator SAXBE as to the IRS rulings. [REDACTED] did not have any knowledge as to whether SAXBE personally contacted IRS officials or not.

- P -

DETAILS: AT WASHINGTON, D. C.



DIRECTOR, FBI (58-8174)

9/28/73

SAC, CLEVELAND (58-227)(RUC)

SENATOR WILLIAM B. SAXBE;

CONFLICT OF INTEREST

OO: WFO

Re report of SA [redacted], dated 8/2/73, at Cleveland, Ohio.

[redacted] Assistant Auditor, Internal Revenue Service (IRS), Cleveland, Ohio, contacted the Cleveland Office of the FBI on September 19, 1973, and advised that he had noticed a couple of things in the return of ELOISE WARDELL. Mr. [redacted] was contacted on September 20 and again on September 24, 1973. On both occasions, [redacted] expressed concern regarding the fact that [redacted] and [redacted], all of whom at one time or another requested information regarding the estate of ELOISE WARDELL from IRS, did not possess a power of attorney from the executor. Attorney [redacted] who was the examining Agent for the IRS on the estates of MARY K. WARDELL and ELOISE WARDELL dealt with [redacted] who it later turns out is an attorney for the State of Ohio and further is employed on the staff of WILLIAM B. SAXBE and himself a Federal employee. At no time does a valid power of attorney appear from the executor, DELMAR W. WARDELL to [redacted].

According to [redacted], the facts of the file indicate that [redacted] assumed that WILLIAM B. SAXBE was handling the estates of MARY K. WARDELL and ELOISE WARDELL and that [redacted] was acting only as a channel of information to save the Senator some time. According to [redacted], this was further substantiated by a letter from SAXBE to IRS, Cleveland, on May 10, 1973, which should be contained in referenced report, in which SAXBE requests some time to file the estate of ELOISE WARDELL to avoid late charges. In the second paragraph of that letter, SAXBE refers to an agreement that he and [redacted] have reached. Further, according to [redacted], it is his understanding that

2 - Bureau  
1 - WFO (58-1354)(Info)  
1 - Cleveland  
JFL/clo

(4)

58-1354-28

SEARCHED <i>h</i>	INDEXED <i>h</i>
SERIALIZED <i>h</i>	FILED <i>h</i>
OCT 04 1973	
FBI - WASH. F. O.	

*h*

CV 58-227

[ ] was subsequently given the estate for legal process, but [ ] did not come to the IRS at any time with proper credentials to practice before them and with no power of attorney.

Lastly, as to [ ] he also shows no power of attorney in the file and appearing in the file is a letter in which [ ] brings to the attention of IRS the mistakes they made in the taxes charged to the estate of MARY K. WARDELL. The reply was sent to the executor, DELMAR WARDELL, and a courtesy letter was then forwarded to [ ] advising him that a reply had been sent to WARDELL because he, [ ], did not possess a valid power of attorney from WARDELL to handle the estate.

The above facts are being furnished to the Bureau for information since Mr. [ ] made a point of bringing them to the attention of the Cleveland Office.

No interview of [ ] was considered by Cleveland at this time since the facts show that at all times [ ] felt he was ultimately dealing with SAXBE, whom he erroneously believed was allowed to represent the WARDELL estate.

October 19, 1973

Director  
Federal Bureau of Investigation

HEP:CWB:WOH:pem  
51-57-141  
51-57-142

Henry E. Petersen  
Assistant Attorney General  
Criminal Division

Senator William B. Saxbe;

b6  
b7C

Conflict of Interest

In your report dated September 19, 1973, captioned in the above style, you requested to be advised what further investigation, if any, was desired of this matter. This is to advise you that, after thorough review of this matter, we have concluded that further action by this Division is unwarranted. Accordingly, we have closed our file and desire no additional investigation.

58-1354-29

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 25 1973	
FBI-WASHINGTON FIELD OFFICE	

UNITED STATES GOVERNMENT

# Memorandum

TO : SAC, WFO (58-1354)

DATE: October 24, 1973

FROM : Director, FBI (58-8174)

SUBJECT: SENATOR WILLIAM B. SAXBE

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b7C

CONFLICT OF INTEREST  
OO: WFO

Enclosed for all offices is one copy of a memorandum dated October 19, 1973, from the Criminal Division of the Department of Justice.

The enclosed memorandum advised that no further investigation is required in captioned matter and all offices should accordingly close their case in this matter.

Enclosure *mw*

- 1 - Cincinnati (58-237) (Enclosure)
- 1 - Cleveland (58-227) (Enclosure)

FILE STRIPPED

Date: *11/5/73*

Initials: *YR*

b6  
b7C

58-1354-30

SEARCHED <i>LR</i>	INDEXED <i>LR</i>
SERIALIZED <i>LR</i>	FILED <i>LR</i>
OCT 25 1973	
FBI WASHINGTON FIELD OFFICE	



Dissemination  
Routing Slip  
FD-417 (9-12-69)

(Copies to Offices Checked)

To: ☐ Director, Att.: \_\_\_\_\_☒ SAC,

☐ Albany  
☐ Albuquerque  
☐ Alexandria  
☐ Anchorage  
☐ Atlanta  
☐ Baltimore  
☐ Birmingham  
☐ Boston  
☐ Buffalo  
☐ Butte  
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☐ San Juan  
☐ Savannah  
☐ Seattle  
☐ Springfield  
☐ Tampa  
☒ Washington Field

Date 6-6-76

RE: DESTRUCTION OF FIELD  
FILES AND RECORDS

SUBJECT: Inspector William B. Lofbe

REMARKS: Cincinnati file has been destroyed.  
Our last communication reflects you were office  
of origin at time matter RUC'd. Attached are  
6 original FD-302s and 2 item(s) of  
an evidentiary nature.

b6  
b7C

SAC THOMAS W. KITCHENS, Jr.YOUR FILE #: 58-1354OFFICE CINCINNATI